Edison Electric INSTITUTE

Power by Association℠

EEI Scope Reporting Guidelines

(2025)

Disclaimer: The guidance in this document is voluntary and is the product of EEI's interpretation of the examined scenarios as they relate to the existing WRI/WBCSD Greenhouse Gas Protocol (GHG Protocol). Members using the guidelines should report their data as they find appropriate and explain their reasoning for doing so in a transparent manner, particularly if a specific reporting scenario is not represented in, or differs from, the reporting guidance in this document.

Introduction

EEI's Scope Reporting Guidelines (the inaugural edition, 2025) (the Guidelines) were developed to help members and users of the EEI-AGA Sustainability Template[1] (the Template) understand how emissions can be reported under the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol's Standards and Guidance[2] (the GHG Protocol) for select electric power industry business models and greenhouse gas (GHG) emission sources and types. Not all emission sources and types will be relevant for reporting by all entities. Categorization of GHG emissions by *scope*[3] for electric companies and natural gas distribution operations depends on the reporting entity's business model. The Guidelines provide examples of prevalent emission sources and types for each scope.

The Guidelines are intended to be a reference document that reflects the power sector's best practices in voluntary GHG emissions reporting and cites widely used GHG emissions reporting and accounting standards. The Guidelines also benefit from extensive discussions with members and industry experts. The Guidelines focus on common GHG emission sources and types applicable to regulated electric power companies. As with the Template, the Guidelines are intended to be an iterative document that can evolve over time.

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[1] See https://www.eei.org/issues-and-policy/esg-sustainability.

[2] World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol, see https://ghgprotocol.org/. The GHG Protocol is currently under review and revision – reference herein does not imply endorsement of future changes to the GHG Protocol by EEI or its member companies.

[3] In the GHG Protocol, the concept of *scopes* is introduced to "help delineate direct and indirect emission sources, improve transparency, and provide utility for different types of organizations and different types of climate policies and business goals [. . .] for GHG accounting and reporting purposes." See *GHG Protocol Corporate Accounting and Reporting Standard*, 2004, page 25.

The Guidelines allow for flexibility in which emission sources and types are relevant to an individual electric power company. A company may, at its discretion, choose to use these guidelines to help fill out its voluntary Template report and/or other existing GHG emission reports. As noted above, the Guidelines are designed to also help members with their accounting and reporting of GHG emissions by scope. The Guidelines are *not*, however, intended for the purpose of compliance with *any* regulatory or voluntary GHG emissions reporting requirements based on the GHG Protocol as this is solely a guidance document and does not supersede the existing GHG Protocol. Importantly, EEI and its member companies do not consider all GHG emissions data to be *material*[4] and/or *relevant*[5] in accordance with the principles which are intended to underpin all aspects of GHG reporting according to the GHG Protocol: relevance, completeness, consistency, transparency, and accuracy.[6]

[4] For definition, see Appendix B.

[5] See ibid.

[6] See *GHG Protocol Corporate Accounting and Reporting Standard*, 2004, Chapter 1.

Greenhouse Gas Emission Scopes

In recent years, categorizing GHG emissions in scopes has become commonplace for GHG emissions accounting and reporting practices nationally and internationally. Many electric power companies report their GHG emission scope inventory data using voluntary accounting and reporting standards, like the GHG Protocol, that can be used globally by any sector and address a broad array of GHG emission types and sources. While the GHG Protocol provides sector-specific guidance, it does not provide specific electric power industry guidelines to date. EEI and its members have developed these guidelines in alignment with the GHG Protocol to address accounting scenarios found commonly in the electric power industry.

Table 1: Summary descriptions of GHG emission scopes

Scope	General description[7]
Scope 1	**Direct GHG emissions from sources *owned or controlled*[8] by the reporting entity** (e.g., emissions from fuel combustion in boilers, furnaces, vehicles, etc.). These direct emissions result from operations of the reporting entity that physically release GHG emissions to the atmosphere.
Scope 2	**Indirect GHG emissions from the generation of *purchased or acquired*[9] electricity, steam, heating, or cooling consumed in the reporting entity's *owned or controlled* equipment or operations.[10]** These emissions from consumption of purchased or acquired energy are emitted by power generation and other sources of energy owned or controlled by another entity.
Scope 3	**Indirect GHG emissions that result from the activities of assets not *owned or controlled* by the reporting entity but are emitted indirectly by the entity through activities in its value chain.** This includes non-scope 2 indirect emissions attributable to the reporting entity's activities, such as upstream emissions associated with purchased or acquired fuels, goods, and services, and *downstream emissions*[11], including from the sale of goods and services by the reporting entity, and other categories.[12]

[7] For more details on GHG emission sources, such as transmission and distribution (T&D) line losses, and under which scope they should be reported, see Tables 2, 3, and 4. For definitions of select terms used in the GHG Protocol, see Appendix B.

[8] A reporting entity's operations are determined to be *owned or controlled* based on the entity's organizational boundaries which depend on the consolidation approach taken (equity or control approach, see Appendix B).

[9] See n. 4.

[10] From an electric company's perspective, reporting of such emissions depends on the reporting entity's operational boundary, see Table 2.

[11] See n. 4.

[12] For scope 3 categories used in the GHG Protocol, see Appendix A.

Electric Power Industry GHG Emissions Accounting

Reporting entities account for their consolidated GHG emissions data according to an *organizational boundary*[13] *consolidation approach*[14], which can change the way an emission source is accounted for and reported in an entity's GHG emissions inventory. In fact, an individual company's GHG emissions inventory will depend largely on the approach chosen (See Appendix B).

Table 2: Examples of GHG emissions sources by electric company type

	Emissions from owned generation	Emissions from owned vehicles, vessels, or aircraft	Fugitive emissions from company-owned equipment	Emissions from purchased power for delivery to customers	Emissions from T&D line losses from self-generated electricity[15]	Emissions from T&D line losses from power flows other than self-generated electricity on owned T&D assets
Vertically Integrated	Scope 1	Scope 1	Scope 1	Scope 3	Scope 1	Scope 2
Generation and T&D Co-Op	Scope 1	Scope 1	Scope 1	Scope 3	Scope 1	Scope 2
Transmission and/or Distribution Only	N/A	Scope 1	Scope 1	Scope 3[16]	N/A	Scope 2[17]
Independent Power Producers	Scope 1	Scope 1	Scope 1	N/A	Scope 1	N/A

Note: The purpose of Table 2 is to help reporting entities and users of the Template understand how GHG emissions are categorized based on the reporting entity's business model. This is a non-exhaustive set of examples and not all emission types included will be relevant to the inventory of all entities. Additionally, for scope 3 categories used in the GHG Protocol, see Appendix A.

[13] For definition, see Appendix B. For further guidance, see *GHG Protocol Corporate Accounting and Reporting Standard*, 2004, Chapter 3.

[14] The GHG Protocol describes three *consolidation approaches*: the equity share approach, financial control approach, and operational control approach. For more details, see Appendix B.

[15] When electricity is self-generated, emissions from T&D line losses (otherwise reported under Scope 2 or 3) are not reported separately within the generating company's inventory, as the emissions associated with the lost energy arise at the point of power generation, which are already accounted for under the company's scope 1 emissions.

[16] Emissions from power generation should be reported as "N/A" if the T&D company only transmits/distributes the electricity and does not purchase power for delivery to customers, as these emissions are outside the T&D company's inventory boundary.

[17] T&D line losses from purchased power may be considered scope 3 if a contract includes a "*gross-up*" – adding back in the estimated losses that occur during the transmission and distribution of electricity – to account for the losses enroute to end-use customers. Accordingly, electric T&D companies that do not own generation and never purchase power for resale or acquire title to it as it is delivered, and that operate in deregulated markets (namely, ERCOT) where the ISO/RTO applies a "gross up" accounting for energy delivered on the system, can account for line losses under scope 3.

Table 3: Examples of GHG emissions sources by operations for natural gas distribution

	Emissions from upstream production and processing of natural gas[18]	Emissions from transportation and distribution of natural gas	Emissions from downstream burning of natural gas for end-use energy[19]
Company owns and sells natural gas to end-use customer, but does not own the pipeline system through which the gas is transported	Scope 3	Scope 3	Scope 3
Company owns and sells natural gas to end-use customer and owns the pipeline system through which the gas is transported	Scope 3	Scope 1	Scope 3
Company only owns the pipeline system through which the gas is transported, but does not own the gas being transported	N/A	Scope 1	N/A

[18] The GHG Protocol Scope 3 Standard defines upstream and downstream scope 3 emissions as indirect GHG emissions related to purchased and sold goods and services, respectively. Therefore, a natural gas company's scope 3 inventory would include upstream and downstream emissions from the fuel that the company purchased and sold regardless of pipeline ownership, but would not include upstream and downstream emissions from fuel that flows through its owned assets if the fuel is never purchased or sold by that company.

[19] See id.

Table 4: Examples of scope inventory by electric power company type

	Scope 1	Scope 2	Scope 3 (with category[20])
Vertically Integrated	▪ Emissions from owned generation ▪ Fugitive emissions from company owned equipment ▪ Emissions from T&D line losses from self-generated electricity	▪ Emissions from T&D line losses from power flows other than self-generated electricity on owned T&D assets ▪ Emissions from purchased energy for own use	▪ Emissions from extraction, production, and transportation of fuels used for self-generated power (Cat. 3.a) ▪ Emissions from extraction, production, and transportation of fuels used for purchased power for own use (Cat. 3.b) ▪ Emissions from the generation of power that is lost in a T&D system for purchased power for own use (Cat. 3.c) ▪ Emissions from the generation of purchased power for resale (Cat. 3.d)
Transmission and/or Distribution Only	▪ Fugitive emissions from company-owned equipment	▪ Emissions from T&D line losses for owned T&D assets ▪ Emissions from purchased energy for own use	▪ Emissions from extraction, production, and transportation of fuels used for purchased power for own use (Cat. 3.b) ▪ Emissions from the generation of power that is lost in a T&D system for purchased power for own use (Cat. 3.c) ▪ Emissions from the generation of purchased power for resale (Cat. 3.d)
Independent Power Producers	▪ Emissions from owned generation ▪ Fugitive emissions from company-owned equipment	▪ Emissions from purchased energy for own use	▪ Emissions from extraction, production, and transportation of fuels used for self-generated power (Cat. 3.a)

[20] For descriptions and applicability of category 3, see *GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard*, 2011, Table 5.5.

Table 5: Examples of GHG emission sources by scope for the electric power industry [21]

Scope 1 emissions:	**Stationary combustion**	**Mobile combustion**	**Fugitive**	**Physical or chemical processing**
	▪ Boilers, turbines, and furnaces used in the production of electricity, heat, or steam (including temporary or emergency generation) ▪ Fuel pump generators ▪ Flaring	▪ Transportation of fuel by company-owned vehicles ▪ Company-owned fleet vehicles including off-road vehicles ▪ Company-owned aircraft ▪ Company-owned marine vessels	▪ SF_6 emissions from T&D equipment (if owned/operated by reporting entity) ▪ HFC emissions, including from buildings, process chillers, and LPG storage facilities (if owned/operated by generator)	▪ SO_2 scrubbers
Scope 2 emissions:	**Purchased energy for facility use**	**T&D line losses[22]**		
	▪ Emissions associated with electricity, heat, or steam purchased for use by the reporting entity	▪ Emissions associated with line losses on the system during the transmission and distribution of electricity	N/A	N/A
Scope 3 emissions:	**Stationary combustion**	**Mobile combustion**	**Fugitive**	**Supply chain related**
	▪ Purchased energy for resale to customers ▪ Emissions associated with waste treatment	▪ Transportation of fuels, goods, and waste ▪ Employee business travel ▪ Employee commuting	▪ Upstream pipeline emissions ▪ SF_6 emissions from T&D equipment (downstream – if NOT owned/operated by reporting entity)	▪ Upstream production of fuels ▪ Purchased goods and services ▪ Capital goods

Note: The purpose of Table 5 is to provide examples of prevalent emission sources and the scope they may be found under in a GHG emissions inventory. This is a non-exhaustive set of examples and not all emission types included will be relevant to the inventory of all entities. Also, organizational boundaries can change the way an emissions source is accounted for and reported in an entity's GHG emissions inventory.

[21] Adapted from *GHG Protocol Corporate Accounting and Reporting Standard*, 2004, Appendix D.

[22] For more details on T&D line losses, see Tables 2 and 4.

Appendix A

Scope 3 Categories[23]

Upstream scope 3 emissions:

1. Purchased goods and services
2. Capital goods
3. Fuel- and energy- related activities (not included in Scope 1 or Scope 2)
4. Upstream transportation and distribution
5. Waste generated in operations
6. Business travel
7. Employee commuting
8. Upstream leased assets

Downstream scope 3 emissions:

9. Downstream transportation and distribution
10. Processing of sold products
11. Use of sold products
12. End-of-life treatment of sold products
13. Downstream leased assets
14. Franchises
15. Investments

[23] Adapted from *GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard*, 2011, Table 5.3.

Appendix B

Glossary

Term	Definition	Source
Boundaries	GHG accounting and reporting boundaries can have several dimensions, i.e., organizational, operational, geographic, business unit, and target boundaries. The inventory boundary determines which emissions are accounted and reported by the company.	Corporate Standard, page 96
Consolidation	Combination of GHG emissions data from separate operations that form part of one company or group of companies.	Corporate Standard, page 97
Control	The ability of a company to direct the policies of another operation. More specifically, it is defined as either operational control (the organization or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation) or financial control (the organization has the ability to direct the financial and operating policies of the operation with a view to gaining economic benefits from its activities).	Corporate Standard, page 97
Downstream emissions	Indirect GHG emissions from sold goods and services; also includes emissions from products that are distributed but not sold (i.e., without receiving payment).	Scope 3 Standard, page 137
Equity share; Equity share approach	The equity share reflects economic interest, which is the extent of rights a company has to the risks and rewards flowing from an operation. Typically, the share of economic risks and rewards in an operation is aligned with the company's percentage ownership of that operation, and equity share will normally be the same as the ownership percentage. A consolidation approach whereby a company accounts for GHG emissions from operations according to its share of equity in the operation. The equity share reflects economic interest, which is the extent of rights a company has to the risks and rewards flowing from an operation.	Corporate Standard, page 97; Scope 2 Guidance, page 102
Financial control; Financial control approach	The ability to direct the financial and operating policies of an entity with a view to gaining economic benefits from its activities. A consolidation approach whereby a company accounts for 100 percent of the GHG emissions over which it has financial control. It does not account for GHG emissions	Scope 2 Guidance, page 102; Scope 2 Guidance, page 102

	from operations in which it owns an interest but does not have financial control.	
Gross-up	Adding back in the estimated losses that occur during transmission and distribution of electricity; accounting for T&D losses when calculating the cost or revenue of a service; involves increasing a value to reflect the losses that occur between the point of energy generation or consumption and the point of measurement.	*T&D Losses, Reflecting Losses in Demand Response within ERCOT*, 2012, https://www.ercot.com/files/docs/2012/08/20/06_td_losses_082212.ppt
Inventory	A quantified list of an organization's GHG emissions and sources.	Corporate Standard, page 99
Inventory boundary	An imaginary line that encompasses the direct and indirect emissions that are included in the inventory. It results from the chosen organizational and operational boundaries.	Corporate Standard, page 99
Materiality	Concept that individual or the aggregation of errors, omissions and misrepresentations could affect the GHG inventory and could influence the intended users' decisions.	Scope 3 Standard, page 139
Operational boundaries	The boundaries that determine the direct and indirect emissions associated with operations owned or controlled by the reporting company; this assessment allows a company to establish which operations and sources cause direct and indirect emissions, and to decide which indirect emissions to include that are a consequence of its operations.	Corporate Standard, page 100
Operational control	A consolidation approach whereby a company accounts for 100 percent of the GHG emissions over which it has operational control. It does not account for GHG emissions from operations in which it owns an interest but does not have operational control.	Scope 2 Guidance, page 105
Organizational boundaries	The boundaries that determine the operations owned or controlled by the reporting company, depending on the consolidation approach taken (equity or control approach).	Corporate Standard, page 100
Purchased or acquired electricity	Electricity that is purchased or otherwise brought into the organizational boundary of the company.	Scope 2 Guidance, Chapter 5
Relevant	The information that users—both internal and external to the company—need for their decision making.	Corporate Standard, page 8
Scope	Defines the operational boundaries in relation to indirect and direct GHG emissions.	Corporate Standard, page 101
Scope 1 emissions; **Scope 1 inventory**	Emissions from operations that are owned or controlled by the reporting company. A reporting organization's direct GHG emissions.	Scope 2 Guidance, page 106; Corporate Standard, page 101

Scope 2 emissions; **Scope 2 inventory**	Indirect emissions from the generation of purchased or acquired electricity, steam, heat or cooling consumed by the reporting company. A reporting organization's emissions associated with the generation of electricity, heating/ cooling, or steam purchased for own consumption.	Scope 2 Guidance, page 106; Corporate Standard, page 101
Scope 3 emissions; **Scope 3 inventory**	All indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions. A reporting organization's indirect emissions other than those covered in scope 2.	Scope 2 Guidance, page 106; Corporate Standard, page 101
Upstream emissions	Indirect GHG emissions from purchased or acquired goods and services.	Scope 3 Standard, page 141

Appendix C

Reference materials

GHG Protocol Corporate Accounting and Reporting Standard (2004) (Corporate Standard)

GHG Protocol Scope 2 Guidance (2015) (Scope 2 Guidance)

GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) (Scope 3 Standard)

The **Edison Electric Institute** (EEI) is the association that represents all U.S. investor-owned electric companies. Our members provide electricity for nearly 250 million Americans, and operate in all 50 states and the District of Columbia. As a whole, the electric power industry supports more than 7 million jobs in communities across the United States.

In addition to our U.S. members, EEI has more than 70 international electric companies, with operations in more than 90 countries, as International Members, and hundreds of industry suppliers and related organizations as Associate Members.

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